

Economic Recovery

Florida has been hit hard by a rise in foreclosures, unemployment, and recent natural disasters, resulting in a crippling budget crisis.

As your congresswoman, I am focused on the individuals hurt by this recession: the families who are struggling to make ends meet, the men and women who are fighting to keep their jobs, and the small business owners that are desperate to keep their companies functioning. These are the faces of our community and they need help. Inaction is not an option and the stakes are too high for ideological games.

That is why we passed the American Recovery and Reinvestment Act. This tax relief and recovery package means two things: lower taxes and more jobs.

The bill will provide 95% of working families with a tax cut of up to \$800 dollars. Small businesses will get tax incentives to promote investment and job creation. Florida's seniors and disabled veterans will receive an immediate tax rebate of \$250. And alternative energy tax credits will spur our economy, protect our environment, and increase national security.

The act protects millions of families from having to pay the Alternative Minimum Tax, helps students and parents struggling to pay for higher education, and gives tax relief to those who want to buy a home or purchase a car.

But tax cuts alone will not get our economy back on track. In 2008, Florida suffered the second worst loss of jobs of any state with more than 255,000 jobs cut. The tax relief and recovery package includes targeted investments that will create and protect more than 200,000 jobs across Florida.

The bill provides significant job-creating investments in Florida's infrastructure, such as our roads and bridges, public transit, clean water, and alternative energy. And it contains funding for job training and higher education to help those in our community who have lost jobs or need retraining and to keep our work force productive and competitive.

The tax relief and recovery package will also give our state critical funds to help fill the gap in Florida's education budget. This will keep schools open and protect teacher jobs so that our children can get the education they need to compete in the 21st Century.

And the plan includes dedicated funding for NASA's human spaceflight. This funding will protect jobs at Kennedy Space Center and across our community by helping to minimize the gap between the Shuttle program and Constellation.

Together, these investments will create and protect thousands of jobs in the short-term while laying the groundwork for a long-term economic recovery.

While not a perfect bill, the American Recovery and Reinvestment Act represents the change that Floridians demanded. It is a sign that we will not stand idly by while our families and communities suffer.

The tax relief and recovery package is an important first step on the road to revitalizing our economy.

Below are documents that outline important provisions in the bill as well as information on what the American Recovery and Reinvestment Act means for Florida. For additional information on the tax relief and recovery package, please visit www.recovery.gov.

Details on the American Recovery and Reinvestment Act

American Recovery and Reinvestment Act Fact Sheet

Important State-by-state Tax Relief and Recovery Package Numbers

Title I and IDEA Funding for Florida School Districts (does not include \$2.7 billion for Florida's state stabilization fund)

Tax Relief in the American Recovery and Reinvestment Act

What the Tax Relief and Recovery Package Means for Small Businesses

Why Florida Needs the American Recovery and Reinvestment Act

The state of Florida has been hit particularly hard by the nation's economic recession. In 2008, Florida suffered the second worst job loss of any state with more than 255,000 jobs lost. As of December, Florida's unemployment rate was 8.1%.

The American Recovery and Reinvestment Act will invest billions in Florida and help our communities through these difficult economic times. It will provide immediate relief to schools in Florida who will see an increase in Title I and IDEA funds over two years to help low-income and students with disabilities. The American Recovery and Reinvestment Act also creates a state stabilization fund for Florida of \$2.7 billion to save jobs by staving off layoffs and harmful cuts to education. States could also use these funds to create new jobs by repairing, renovating and modernizing schools and colleges, providing students with clean, healthy, safe, energy-efficient and state-of-the-art learning classrooms and campuses.

The American Recovery and Reinvestment Act includes investments to help make college more affordable for students and families. Among other things the plan will increase the Pell Grant scholarship by \$500 for the next school year - which could benefit over 397,000 eligible students in Florida, and create a \$2,500 tuition tax credit for middle-class families. Both benefits would expand college access for students and help local economies by making sure that colleges don't generate fewer jobs or revenue due to declining enrollment.

The Recovery Plan also includes significant middle class tax cuts including the Making Work Pay Credit, which provides a tax credit of \$400 per worker for

single workers earning up to \$100,000 and \$800 for married couples earning up to \$200,000. There are an estimated 6.9 million workers eligible for the credit in Florida according to the White House.

The American Recovery and Reinvestment Act has broad support, including the U.S. Chamber of Commerce and the National Association of Manufacturers. Economists and scientists across the political spectrum have told lawmakers that strategic investments in education will help Americans become stronger and more productive. By creating an economic stabilization fund to help states restore cuts in education funding and prevent deeper layoffs, this package will also help local and state school officials keep teachers in Florida classrooms.

In Florida, this package will make an immediate impact, creating or saving jobs and helping communities across the state:

Creating

or saving more than 200,000 jobs in Florida over the next two years in a wide range of industries from renewable energy to construction to health with over 90 percent of job creation occurring in the private sector.

[Source: White House Estimate based on Romer and Bernstein, "The Job Impact of the American Recovery and Reinvestment Plan." January 9, 2009.]

Providing

a making work pay tax cut of up to \$800 for 6.9 million Florida workers and their families; 95 percent of Americans will receive a tax cut.

[Source: White House Estimate based on IRS Statistics of Income]

Making

195,000 Florida families eligible for a new American Opportunity Tax Credit to make college more affordable for working families by establishing a \$2,500 tuition tax credit for middle-class families. [Source: Center on Budget and Policy Priorities analysis of U.S. Census data]

The American Recovery and Reinvestment Act will help transform our economy by:

Enacting

the most significant expansion in tax cuts for low- and moderate-income households ever.

- Enacting the largest investment increase in our nation's roads, bridges and mass transit systems since the creation of the national highway system in the 1950s.

- Doubling renewable energy generating capacity over three years, creating enough renewable energy to power 6 million American homes

Support from Economists across the Spectrum

Independent economists have confirmed that the recovery plan will meet its goal of creating or saving 3 to 4 million jobs. Mark Zandi, chief economist for Moody's Economy.com and a former advisor to Senator John McCain's presidential campaign, found that the recovery plan would lead to an unemployment rate 2.2 percent lower than if we did nothing, and that more than 90 percent of jobs created would be in the private sector. [Zandi Analysis, 1/21/09]

Accountability and Transparency

The recovery plan will include several important provisions to ensure that spending is transparent and it is clear to the American people where the money is going. The plan includes no earmarks and the Obama Administration will publically post details on how the money is being spent at www.recovery.gov. These accountability provisions will give the American people the assurance that their money is being spent to get us out of this recession and is not subject to waste, fraud, or abuse.